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Minutes  
Workshop Meeting  
May 21, 2013

Present: Mayor Kenneth Neilson, Councilmen Bill Hudson, Thad Seegmiller, Kress Staheli, Jeff Turek, Ron Truman, City Attorney Jeff Starkey, City Manager Roger Carter, Public Works Director Mike Shaw, Leisure Service Director Barry Blake, Police Chief Jim Keith, City Recorder Danice Bulloch, Deputy Recorder Tara Pentz, Community Development Director Drew Ellerman, Power Director Kelly Carlson, Audience: Marc Cram, Kendall Clements, Christine Clements, Sherrie Reeder

Meeting commenced at 6:02 P.M.

**1. Approval of the Agenda.**

*Councilman Seegmiller made a motion to approve the agenda. Councilman Hudson seconded the motion; which passed with the following roll call vote:*

<i>Councilman Hudson</i>	<i>Aye</i>
<i>Councilman Seegmiller</i>	<i>Aye</i>
<i>Councilman Staheli</i>	<i>Aye</i>
<i>Councilman Truman</i>	<i>Aye</i>
<i>Councilman Turek</i>	<i>Aye</i>

**2. Discussion and review of possible annexation of property near the St. George Airport. Kenneth Neilson, Mayor - LDS Church Dan McKay**

Dan McKay stated he is the asset manager for Property Reserve, Inc. a long term landowner known as the LDS Church. He reviewed the potential annexation on the St. George and Washington City boundary. He is politically neutral between both Washington and St. George City. However, when looking at the overall property St. George would be the most logical area to annex this property.

Councilman Hudson stated a large concern of Council would be if this property goes into St. George, there is an area created south of this, which would still need to have services provided by Washington City. This would be very problematic in the future.

Mr. McKay commented there are many geographic issues in this area, which may not make it worth it for Washington City to attempt to service the property.

Councilman Staheli stated much of this property has been master planned along the Southern

Parkway. There will certainly be utilities in this area.

Mr. McKay asked if there would be a guarantee the road would be built within the next 5 years, then he would feel much more comfortable leaving the property in Washington City.

Public Works Director Mike Shaw stated Washington City has an agreement with St. George City. Our sewer connects and becomes a regional line. There is also an agreement for regional water, which means we could also get water to the property.

Community Development Director Drew Ellerman reviewed the property terrain on an aerial map.

Councilman Seegmiller suggested annexing all of the property to the south along with the annexation in order to save any future issues.

City Manager Carter clarified the water and sewer would not be an issue, and the power is Dixie Escalante.

Councilman Turek commented he does not feel the property being dissected by the boundary should be problematic.

Mr. McKay stated he would bring in an ownership map, and would be happy to talk with any of the surrounding owners to see what they would like to do. This land would most likely be used for residential purposes. He asked if residential property from a use perspective a net positive for Washington City.

City Manager Carter stated residents are always a positive.

Mr. McKay stated they need to go one way or the other, but the most logical approach is going to be St. George.

City Manager Carter stated the argument has been very consistent on what Washington City's position is. It is obvious that he is not really politically neutral as he claims to be.

Councilman Truman asked if the property owner is solely looking for a St. George City address for value sake.

Mr. McKay stated he does not feel that in this area a Washington City or St. George City address would make a difference in this area. He has had a couple of interests in the property. Those previous buy behaviors have indicated they would prefer to be in St. George City. He is seeking input and trying to provide information in order for the City Council to make a fair decision. He would prefer to work with one City or another, but not both.

Councilman Hudson stated he would not feel comfortable creating a peninsula.

Councilman Turek stated the concern of utilities is obviously not going to be an issue. Therefore, it would not be a problem to develop in both areas.

Mr. McKay stated if he is approached by a buyer he does not want them to have to work with two different Cities.

Councilman Turek stated he would not feel comfortable changing the property boundaries.

City Manager Carter stated regardless of the meeting issue, there is a series of meetings which would have to occur if an annexation boundary adjustment were to be applied for.

City Attorney Starkey stated the map should clearly show that Washington City has utilities available as well.

Mr. McKay stated he does not show this map to potential buyers.

Councilman Turek asked if Desert Canyons still has interest in this property.

Mr. McKay stated they are.

Councilman Turek stated he would like to sit down with the potential buyers. He does not see a problem with having the City Boundary through the property. He is very happy with their project, and if they were to come to Washington City, he feels they would be met with a positive response from all of the Council.

Mr. McKay asked if this problem could be solved in within the annexation agreement.

City Attorney Starkey stated it is hard to address the annexation agreement based on potential buyers issues.

Mr. McKay stated if the developer could just go into one City it would be better for them.

Councilman Turek stated he understands it would possibly be better for the developer, but then we make a huge problem for Washington City.

Councilman Truman stated although he is sympathetic to landowners and developers, his priority is to make sure he is making decisions on what is best for Washington City. He does not see any reason for Washington City to give up property.

Councilman Seegmiller stated he can understand the developers concern. He would not want to create a penusila. If the property were to go all to St. George City, then it would only make sense the remaining property to the South would have to go to St. George as well.

Councilman Turek stated he intends on speaking with St. George City with regard to this property, and the situation. He does not feel there is going to be a problem with boundary line in the property.

Councilman Seegmiller commented there may be some way to have one Council forgo their approval of the property in order to make the process easier because it is divided between two Cities.

City Attorney Starkey stated he would have to look into this. There may be an issue with State Law, which would not accommodate giving another City your legislative authority. However, he does not see any problem with having both approvals going through along the same timeline.

Mayor Neilson asked how soon the potential sale would take place.

Mr. McKay stated he feels there is going to be a bit of time. The interested parties have indicated they would have to wait for access from St. George City prior to moving forward. He would like to apologize if he was prosecutorial. Staff has been very helpful in all of his requests.

Councilman Hudson asked if he would be willing to get surrounding property owner information.

Mr. McKay stated he would get the property information and try to speak with the owners as well.

**3. Presentation of report on the Washington City Technical Energy Audit Summary.  
Marc Cram, Siemens Industry, Inc.**

Marc Cram reviewed a powerpoint presentation with regard to the Technical Energy Audit.

Councilman Hudson asked if they could do only a portion of the Community Center upgrade for the pool because it has the quickest payback, without doing the entire project which would include the remote.

Mr. Cram stated the advanced controls would need to be in place in order to optimize the unit. He continued the audit review to include the estimated project cashflow.

Councilman Truman asked if the payback for lighting would not be positive cash flow for 15 years, is there going to be new technology, which will make the lights outdated again.

Mr. Cram stated there could be a better technology, but there is not enough LED in service to give an appropriate estimate. However, there most likely would be new technology, but what Washington City would have would not be outdated.

Councilman Truman commented he would not want to put the money into a system that would not see a positive return for 15 years, and have it be outdated in 5 years.

Councilman Seegmiller reviewed the actual document with Mr. Cram

Mr. Cram explained the escalation rate, which was built into the modeling of the audit.

Power Director Kelly Carlson reviewed a street lighting audit with Council.

\*see attached

Councilman Turek asked about the disposal of the mercury lights.

Mr. Carlson stated this is something, which has to be dealt with anyway because of the standard fluorescents. However, it is a concern.

Mr. Cram reviewed the next steps for change out of street lighting. He would suggest talking with one of the other Cities who have completed these upgrades to see if they are happy with the changes, and seeing any savings. They also ensure they make sure they meet the illumination levels required.

Councilman Hudson clarified Council could pick which items within the audit they are willing to

change.

Mr. Cram stated this is correct.

City Manager Carter stated this item is on the agenda for approval tomorrow night. He would like to know if the Council would like additional time prior to making a decision.

Councilman Truman stated he would like to speak with the Cities, so he does not feel he could make a decision tomorrow.

Councilman Seegmiller stated he would also like the documentation provided by Power Director Carlson.

Councilman Turek agreed the Council needs some additional time to complete their due diligence.

#### **4. Discussion and review of Economic Development. Mayor Kenneth Neilson**

Mayor Neilson stated he has asked Kendall Clements to speak to Council with regard to vacation rentals.

Mr. Kendall Clements stated he owns a business called Escape Rentals. This company was designed for nightly rentals. He reviewed a powerpoint presentation with Council.

Councilman Truman stated he is suspect of vacation rentals increasing property values. He would like to know if he has had complaints.

Mr. Clements stated he has had complaints in Kayenta because the sound travels. He does have a neighbor on one side that uses his home as a rental on weekends occasionally. He is aware of people when they come to stay because he can hear them in the back yard when he is in the back yard.

Councilman Truman asked if he is claiming if the home was in the middle of a single family residence it would increase the values.

Mr. Clements stated he would not say it decreases the value.

Councilman Hudson stated he would like to have a policy which allows a specific home size maximum. If someone is trying to rent a 5000 sq ft home, they are looking for a party house.

Mr. Clements stated he has had requests for families of 150 people, and homeowners do not understand what would happen to the house if that many people were crammed in a house. He would like to be involved in the process of writing a code for these types of rentals, which would require a Conditional Use.

Councilman Turek commented he likes having a conditional use so each home could be looked out individually. This way each unique situation could be addressed.

City Manager Carter stated an overlay zone would relieve some of the burden of a conditional use on each individual home.

Mr. Clements stated he would be perfectly happy with a conditional use permit, in order to get the appropriate permitting in place.

Councilman Seegmiller asked if there is any type of need for historic homes.

Mr. Clements stated people enjoy staying in historic homes. However, they would want to have access to a hot tub or pool of some sort.

Councilman Truman asked if there is a preconceived idea of a number of permits to be allowed per year.

Mr. Clements stated it may be appropriate to leave the number open initially to see how many people actually apply to have a conditional use permit for vacation rentals.

Councilman Staheli stated while he appreciates all of the information, this is not the meeting to hash out all of these details. He would like to ask that Mr. Clements be put in contact with the Community Development Department in order to go to the Planning Commission.

## **5. Discussion and review of a policy for the Covington Home.**

Councilman Staheli stated he has drawn up an outline for a Covington Home Policy. He reviewed this outline with Council.

Councilman Seegmiller clarified the proposal by Councilman Staheli would be the Youth Council would be the sole individuals of the Covington Home.

Councilman Staheli stated it is looking to be more of a use of the Youth Council.

Councilman Turek stated he would like to see the upstairs eventually be restored to its original layout, but he does not believe there is a rush to do that work.

Councilman Seegmiller stated the inside of the building is not historical at this point, and we need to determine if this would be something we want to spend the money on.

City Manager Carter the restoration of the exterior of the building is much more within our grasp than the interior.

Councilman Seegmiller commented the grounds are no longer historical, and in fact the only historical thing left on the property is the building itself.

City Manager Carter stated he feels this is a great direction because we can share with our community the historical building by the Youth Council giving tours.

Councilman Staheli stated this is not a traditional use of the home, but it gives the Youth Council ownership of the building and a home base.

Mayor Neilson stated the Youth Council have donated many hours to Washington City.

Councilman Turek stated the Youth Council dressed in historical clothes and told the story of the Covington Home while giving tours.

Councilman Truman stated he feels this is a good use of the building.

Councilman Seegmiller asked happens if our Youth Council's Activity were to wain? Would we then re-evaluate their involvement in the home.

Councilman Staheli stated this is why we have an approved meeting schedule.

Councilman Turek commented he would not want to restrict their use to an annual meeting schedule. Occasionally, Youth Council will schedule meetings on short notice.

Councilman Seegmiller commented he feels we are going to have bigger and better uses for the Youth Council, so he does not like this policy is clearly written just for them. He would also like to allow historical groups to come in to the Covington Home. This home was not purchased just for the Youth Council, and we are already having complaints from residents.

Councilman Turek stated he has been contacted by the paper, and he would like to write something to the paper to address this situation.

Councilman Hudson stated he feels writing a letter would be fine, but at the same time, included in the letter should be the hours the home could be open for tours. He feels there should be a policy in place if people are wanting to use this home for receptions, because this is going to be the next request.

Councilman Seegmiller commented he does not have an issues with Washington City owning this building. However, if cannot be preserved and be given honor, then it should be sold to someone who can.

Councilman Hudson asked if the Youth Council has any issues with keeping this building open for tours.

Councilman Staheli stated he has spoke with the advisors and they are very much in favor of the policy.

Councilman Seegmiller commented we currently have to two best Youth Council Advisors we will ever have, and when they leave, as advisors do, then this policy may not be able to be maintained.

Councilman Staheli stated then we no longer allow the use.

Councilman Seegmiller stated he is opposed to keys being out there and not knowing how the building is being used, and he is opposed to private parties in the building. He does worry the Youth Council will get burned out eventually with everything we ask them to attend.

Mayor Neilson asked if we could allow the Lions Club and the VFW to meet in the Covington Home.

Councilman Hudson stated this is an issue, which will need to be addressed. If the building is allowed to be used for a meeting house type use once, it will be continually requested.

Councilman Seegmiller stated in reference to the proposed policy, he would prefer not having the

grounds called a special historical park.

Councilman Turek noted he would not want the meeting schedule to be so stringent for the Youth Council.

Councilman Staheli stated he wants the policy to be as transparent as possible, so there is no confusion with the residents.

Council discussed the possible options for meetings.

Councilman Staheli asked Council to email him with any comments or corrections, and he would write the policy to bring to Council at a regular meeting for adoption.

Councilman Turek stated he would write a letter and send it to Council for their review prior to sending it to the paper.

## 6. Adjournment

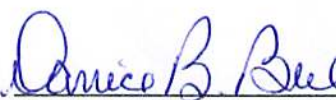
*Councilman Hudson made a motion to adjourn the meeting. Councilman Truman seconded the motion; which passed with the following roll call vote:*

<i>Councilman Hudson</i>	<i>Aye</i>
<i>Councilman Seegmiller</i>	<i>Aye</i>
<i>Councilman Staheli</i>	<i>Aye</i>
<i>Councilman Truman</i>	<i>Aye</i>
<i>Councilman Turek</i>	<i>Aye</i>

*Meeting adjourned at 9:19 P.M.*

Passed and approved this 12th day of June 2013.

Attest by:

  
Danice B. Bulloch, CMC  
City Recorder



Washington City

  
Kenneth F. Neilson, Mayor